

Company No: 1583832

EYRE HOLDINGS LIMITED

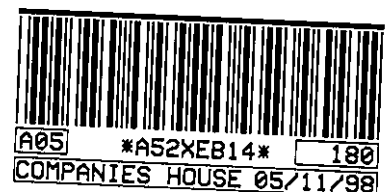
**ABBREVIATED
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 1998**

HAYS

ALLAN

Chartered Accountants
Southampton House
317 High Holborn
London
WC1V 7NL



EYRE HOLDINGS LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998**

Contents

Pages

Company information

1

Auditors' report

2

Balance sheet

3

Notes to the financial statements

4 - 7

EYRE HOLDINGS LIMITED

**COMPANY INFORMATION
AS AT 31 MARCH 1998**

DIRECTORS

A.F.J. Crosthwaite Eyre
J.G. Crosthwaite Eyre
M.E. Crosthwaite Eyre
O.N. Crosthwaite Eyre
P.A.J. Crosthwaite Eyre

SECRETARY

B. Yeatman

REGISTERED OFFICE

Southampton House
317 High Holborn
London
WC1V 7NL

REGISTERED NUMBER

1583832

BUSINESS ADDRESS

Warrens Estate Office
Bramshaw
Lyndhurst
Hampshire SO43 7JH

AUDITORS

Hays Allan
Chartered Accountants
Southampton House
317 High Holborn
London
WC1V 7NL

PRINCIPAL BANKERS

National Westminster Bank plc
217 Strand
London
WC2R 1AS

EYRE HOLDINGS LIMITED

**AUDITORS' REPORT TO THE DIRECTORS
PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements on pages 3 to 7 together with the full financial statements of Eyre Holdings Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1998.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver financial statements prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver financial statements prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

OPINION

In our opinion, the company is entitled to deliver financial statements prepared in accordance with section 246(5) and (6) and 249 of the Companies Act 1985 and the abbreviated financial statements on pages 3 to 7 have been properly prepared in accordance with those provisions.

In our opinion the company is entitled to the exemption conferred by section 248 of the Companies Act 1985 from the requirement to prepare group accounts for the financial year ended 31 March 1998.'



Hays Allan
Chartered Accountants
Registered Auditors
Southampton House
317 High Holborn
London
WC1V 7NL

4 November 1998

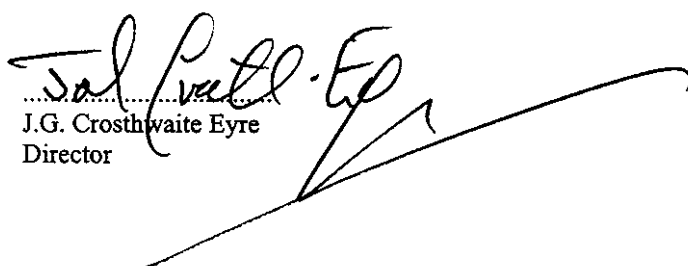
EYRE HOLDINGS LIMITED

**ABBREVIATED BALANCE SHEET
AT 31 MARCH 1998**

	Notes	£	1998 £	£	1997 £
FIXED ASSETS	2				
Tangible assets			160,780		7,574
Investments	3		737,816		852,816
			<u>898,596</u>		<u>860,390</u>
CURRENT ASSETS					
Debtors	4	3,413,972		3,048,100	
Cash at bank and in hand		18,409		6,324	
		<u>3,432,381</u>		<u>3,054,424</u>	
CREDITORS: amounts falling due within one year			<u>(144,514)</u>	<u>(152,372)</u>	
NET CURRENT ASSETS			3,287,867		2,902,052
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,186,463</u>		<u>3,762,442</u>
CAPITAL AND RESERVES					
Called up share capital	5		2,793,344		2,648,344
Share premium account			1,318,114		1,107,864
Profit and loss account			75,005		6,234
TOTAL SHAREHOLDERS' FUNDS			<u>4,186,463</u>		<u>3,762,442</u>

The abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the board of directors on 21 October 1998
and signed on its behalf by:


J.G. Crosthwaite Eyre
Director

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998**

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention.

Consolidation

The company and its subsidiary comprise a small group. The company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Depreciation of tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Motor vehicles	20% on cost
Equipment, fixtures and tools	10% - 33.3% on cost

No depreciation is charged on freehold and long leasehold land.

Where zero depreciation of freehold buildings is appropriate

Freehold buildings are depreciated to write down the cost less estimated residual value over their remaining useful life by equal annual instalments. Where buildings are held at less than their residual value no depreciation is charged.

Deferred taxation

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

Operating lease commitments

Rentals payable under operating leases are taken to the profit and loss account on a straight line basis over the lease term.

Pension costs

The company operates a defined contribution pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

EYRE HOLDINGS LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998**

2. FIXED ASSETS

	Tangible fixed assets	Investments	Total
	£	£	£
Cost:			
At 1 April 1997	43,745	852,816	896,561
Additions	187,713	-	187,713
Disposals	(55,914)	(115,000)	(170,914)
At 31 March 1998	175,544	737,816	913,360
Depreciation:			
At 1 April 1997	36,171	-	36,171
Charge for year	5,304	-	5,304
On disposals	(26,711)	-	(26,711)
At 31 March 1998	14,764	-	14,764
Net book value:			
At 31 March 1998	160,780	737,816	898,596
At 31 March 1997	7,574	852,816	860,390

EYRE HOLDINGS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998

3. INVESTMENTS

Cost or valuation:	Beginning of year	Disposals	End of year
	£	£	£
Other investments	852,816	(115,000)	737,816

Other investments other than loans

Shares in related undertakings:

Cost or valuation:	Beginning of year	Disposals	End of year
	£	£	£
Shares:			
Group Undertaking	852,816	(115,000)	737,816
Net book value	852,816		737,816

The following were the operating subsidiaries at the balance sheet date:

Subsidiary undertakings	Description and proportion of share capital owned	Country of incorporation or registration	Nature of business
Brook Enterprises Limited	Ordinary 100%	England	Hotelier and Golf Club
Priory Stream Limited	Ordinary 50.4%	England	Property Developer

Financial information summary:

The company's share of the aggregate amount of capital and reserves and results of these undertakings for the last financial year were as follows:-

	Capital and Reserves	Results
	£	£
Brook Enterprises Limited	1,558,421	(51,115)
Priory Stream Limited	422,591	38,018
	1,981,012	(13,097)

The directors consider the value of the company's investment in its subsidiary undertakings is not less than the amounts stated in the company's balance sheet.

The third party shareholder in Priory Stream Limited exercised its call option on 15.2% of the shares at cost during the year.

4. DEBTORS

Included in debtors are £3,190,211 (1997: £2,924,249) which are amounts due after more than one year

EYRE HOLDINGS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998****5. SHARE CAPITAL**

	1998 £	1997 £
Authorised:		
Equity interests:		
2,500,000 Ordinary Shares of £1 each	2,500,000	2,500,000
Non-equity interests:		
1,000,000 5% Cum. Participating Preferred Ord. Shares of £1	1,000,000	530,000
	<u>3,500,000</u>	<u>3,030,000</u>
 Allotted, called up and fully paid:		
Equity interests:		
2,118,344 Ordinary shares of £1 each	2,118,344	2,118,344
Non-equity interests:		
675,000 5% Cum. Participating Preferred Ord. Shares of £1	675,000	530,000
	<u>2,793,344</u>	<u>2,648,344</u>

The company increased its authorised share capital on 4 December 1997 by Special Resolution to £3,500,000 by the creation of 470,000 5% Cumulative Participating Preferred Ordinary Shares. It allotted 145,000 5% Cumulative Participating Preferred Ordinary Shares on 8 December 1997 at £2.45 per share.

Class rights of shares

The preferred shareholders are entitled to a fixed net cash cumulative dividend of 5% per annum on the paid amount. They have no voting rights but would receive priority on a winding up.